

2917.502 General.

(a) *Policy.* It is the policy of DOL to require that interagency agreements are written to assure that the obligation of fiscal year funds is valid, that statutory authority exists to obtain or perform the stated requirements, that the stated requirements are consistent with DOL's mission responsibilities, and that each agreement complies with applicable laws and regulations.

(b) *Applicability.* The provisions of this subpart apply to interagency acquisitions and agreements under the Economy Act.

(c) *Appropriations principles.* The appropriate use of interagency acquisitions embodies several principles of Federal appropriations law.

(1) In order to record a valid obligation of appropriations, 31 U.S.C. 1501 imposes the requirements that interagency agreements be:

- (i) A binding written agreement for specific goods or services to meet an existing *bona fide* need;
- (ii) For a purpose authorized by law; and
- (iii) Executed and obligated by the receiving agency before the expiration of available funds.

(2) The Economy Act authorizes interagency acquisitions and provides for payment in advance, as well as reimbursement to the appropriation account to which the performance costs have been charged. The Economy Act further authorizes the servicing agency, as an alternative to fulfilling the requirement through internal resources, to obtain the needed supplies or services by contract.

(3) An agreement entered into under the Economy Act is recorded as an obligation by the requesting agency the same as a contract. However, under the Economy Act, the obligated appropriations must be deobligated upon the date of "expiration" of the appropriation account to the extent that the servicing agency has not incurred obligations through charged costs or under a contract.

(4) Within DOL, the DOL agencies have a number of statutory authorities available for entering into interagency agreements. Each DOL agency, in consultation with the Office of the Solicitor, must be responsible for determining those authorities, as well as constraints applicable to the use of advance payments and contractors, and set-up procedures.

Parent topic: [Subpart 2917.5 - Interagency Acquisitions Under The Economy Act](#)